

Service Date: September 26, 1990

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER OF THE APPLICATION	)	
OF THE MONTANA POWER COMPANY FOR	)	UTILITY DIVISION
AUTHORITY TO ISSUE NOT TO EXCEED	)	
THAT NUMBER OF SHARES OF PREFERRED	)	DOCKET NO. 89.6.21
STOCK AND COMMON STOCK WHICH MAY	)	
BE REQUIRED TO PERMIT THE EXERCISE	)	ORDER NO. 5418a
AND EXCHANGE OF RIGHTS PURSUANT TO	)	
A SHAREHOLDERS' RIGHTS PLAN.	)	
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ORDER

On August 20, 1990, THE MONTANA POWER COMPANY (Applicant or Company) filed with this Commission a Motion to Amend Order No. 5418 in Docket No. 89.6.21 to permit the Applicant to issue Common Shares under its Shareholders' Rights Plan in an amount such that the total number of outstanding Common Shares of the Company, after an issuance under the Rights Plan, would not exceed 120 million, the number of Common Shares currently authorized by the Company's articles of incorporation. Order No. 5418 had been issued by this Commission on July 24, 1989, approving an Application requesting authority to issue Preferred and Common Shares under the Applicant's Shareholders' Rights Plan.

Order No. 5418 specifically authorized issuance of not to exceed 600,000 Preferred Shares for the stated purpose, and issuance of Common Shares in an amount such that the total number of outstanding Common Shares of the Company, after an issuance

under the Rights Plan, would not exceed 60 million, the number of Common Shares at that time authorized in the Company's articles of incorporation. This Motion requests only that Order No. 5418 increase the number of Common Shares authorized to be issued and outstanding, to issue, after an issuance under the Rights Plan, to the number of Common Shares now authorized by the Company's articles.

At a session of the Public Service Commission of the State of Montana, held in its offices at 2701 Prospect Avenue, Helena, Montana, on September 25, 1990, there regularly came before the Commission for final action the request in this Docket, and the Commission being fully advised in the premises makes the following:

#### FINDINGS OF FACT

1. The Background and Discussion and Analysis sections of Order No. 5418 are hereby incorporated by reference, save and except for those specific references to 60 million Common Shares as (a) the number of Common Shares currently authorized by the Applicant's articles of incorporation, and (b) the total amount of Common Shares of the Company authorized by this Commission to be outstanding, after an issuance under the Rights Plan.

2. Notice of this filing for an amendment to Order No. 5418 has been duly given; due consideration has been given to the matters presented and filed in connection herewith; and the Motion for Amendment should be approved as hereinafter ordered.

#### CONCLUSIONS OF LAW

1. The Conclusions of Law in Order No. 5418 are hereby incorporated by reference.

2. The Motion for Amendment complies with sections 69-3-501 through 69-3-507, MCA, inclusive, and should be granted as hereinafter ordered.

ORDER

NOW, THEREFORE, at a session of the Public Service Commission of the State of Montana, held in its offices at 2701 Prospect Avenue, Helena, Montana, on September 25, 1990, there regularly came before this Commission for final action the matters and things in this Docket. The Commission being fully advised in the premises makes and enters the following Orders:

IT IS ORDERED that the Motion to Amend Order No. 5418 is approved.

IT IS FURTHER ORDERED that the Applicant, The Montana Power Company, is hereby authorized to issue Common Shares in the manner and for the purposes stated and described in Order No. 5418, to and through June 6, 1991, subject to the provisions of this Order. Unless issuance has occurred under the Plan, Applicant's authority to issue securities under the Plan, pursuant to Order Nos. 5418 and 5418a, will expire on June 6, 1991.

IT IS FURTHER ORDERED that the total amount of Common Shares of the Company outstanding, after any issuance under its Shareholders' Rights Plan, may not exceed 120 million, as currently authorized in the Company's Articles of Incorporation.

IT IS FURTHER ORDERED that this Order shall be effective September 25, 1990.

IT IS FURTHER ORDERED that all provisions of Order No. 5418 not directly modified by this Order shall remain in full force and effect.

Issuance of this order does not mean acceptance of the Applicant's exhibits or other material accompanying the Motion for Amendment for any purpose other than in connection with this proceeding.

DONE AND DATED this 25th day of September, 1990, by a 4 - 0  
vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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HOWARD L. ELLIS, Chairman

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WALLACE W. "WALLY" MERCER, Commissioner

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JOHN B. DRISCOLL, Commissioner

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REX MANUEL, Commissioner

ATTEST:

Ann Peck  
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.